GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1038
ANSWERED ON:27.07.2001
EXPORT OF WHEAT
AMBATI BRAHMANAIAH;CHANDRA BHUSHAN SINGH;PRABHAT KUMAR SAMANTARAY

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has decanalised wheat / rice exports and granted permission for export of 50 lakh tonnes of wheat and 30 lakh tonnes of rice;

(b) if so, the details thereof;

(c) whether wheat exports will be stimulated by this policy change;

(d) whether the FCI price of wheat is not competitive in relation to the international market price;

(e) if so, whether the Government have studied the competitiveness of wheat prices fixed by the FCI and the prevailing rates in the international market;

(f) if so, the details thereof; and

(g) the manner in which the Government propose to make wheat exports competitive?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI CHAUHAN)

(a),(b): As per the EXIM Policy, export of wheat is freely allowed subject to quantitative ceilings as may be notified by the Government from time to time. Export of rice, basmati as well as nonbasmati, is free subject to registration of contracts with APEDA. For the year 2001-02, Government of India has permitted FCI to offer 50 lakh MTs of wheat for export @ Rs. 4300 per MT. With effect from 1.6.2001 wheat is being offered to all i.e. PSUs/agencies and private parties. Further, the Government has permitted FCI to offer a quantity of 30 lakh MTs of rice for the purpose of export during the year 2001-02 @ Rs. 6000 per MT and Rs. 5650 per MT for par boiled rice and raw rice respectively.

(c),(d),(e),(f)&(g): The Government has exported 25.40 lakh MTs of wheat (till 22nd June, 2001). Approximately, 1.53 lakh MTs of rice has been lifted (till 18th July, 2001) for export. International trade in agricultural commodities is dependent on domestic supply matched with international demand, world prices, prevailing consumer references and quality.

The price fixed is competitive when compared to other major suppliers like USA,Australia and Canada. However, when compared to the wheat of France/Turkey/Belgium origin, price is more or less equal. The impurities contained in Indian wheat is more as compared to those of USA, Australia and Canada origins and therefore the price of wheat of these origins can not be compared to that of FCI price.